



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

January 19, 1983

Mr. Richard Blubaugh
Regulatory Affairs Manager
Atlas Minerals Corporation
P. O. Box 1207
Moab, Utah 84532

ACI/037/006

RE: Revised Bond Estimates
All Mines

Dear Mr. Blubaugh:

I reviewed your revised bond estimates you submitted on the Division's "old" bond estimate forms. Some information and estimates were lacking on these forms for several mines in regard to the permanent sealing of adits, shafts, ventilation shafts or boreholes. This information was derived from the Mining and Reclamation Plan you submitted about five years ago. In addition, the monitoring was changed from 80 ^{days} to 120 ^{days} of monitoring or one week per year. The cost of hauling topsoil was priced with a D-6 at \$100 per hour.

The total bond estimate in current dollars has been revised to \$1,112,943 (\$1,481,327 in 1986 dollars) and most of this would be covered by the Performance Contract. However, the two mines on State Lands (Cane Creek and Standard II) will require posting a surety bond with an approved corporate surety with State Lands.

The cost breakdown is as follows:

Current Dollars:

Total Estimated Reclamation Costs	-	\$1,112,943
Cane Creek and Standard II	-	50,562
		<u>\$1,062,371</u>

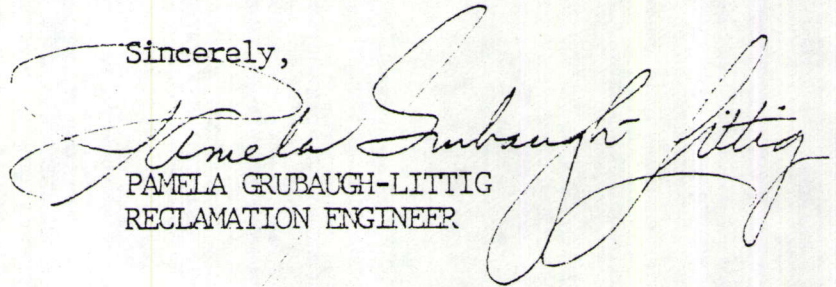
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Amounts to be posted in 1986 dollars:

Performance Contract - \$1,414,016
Surety Bond Posted with State Lands - \$42,311
(\$67,311 less \$25,000 [already posted statewide bond])

If you have any questions, please feel free to contact me.

Sincerely,



PAMELA GRUBAUGH-LITTIG
RECLAMATION ENGINEER

PGL/btb

cc: Jim Smith, DOGM
Tom Tetting, DOGM